

# **Sea Change**

**April 17, 2026**

## **Quotes to Contemplate**

**I decided to see this as what I will call the Global Restructuring. Not a mere recession. Not a correction. A reorder, a restructuring, the kind you look back on in fifteen years and say, that was the moment everything changed. - John Mauldin**

**A global recession is inevitable, perhaps something worse. - Jim Rickards**

**Congress - 535 Instagram influences. - Sarah Isghur**

**Everything we've kept at bay for decades, it's all being discussed openly, as an actual option. - Saul Berenson**

## **Summary of Primary Thoughts To Contemplate In This Issue**

**This whole, Industrial Revolution, Luddite thing applied to AI is real and becoming an increasingly serious social dynamic.**

**The global damage from the Iran War has lags associated with it. Oil-related damage is starting now. Food-related damage will begin in 6-9 months with the new harvests. They are inevitable; we cannot make them for them. And, each passing day with the Strait closed makes things worse. This is a problem heading for catastrophe.**

**Only, markets are behaving like all will be well. Either I am, or the markets are, missing something. Most likely it is me.**

**And, there are signs of positive movement in the negotiations.**

**The Strait of Hormuz is opening - at least for now.**

**There is hope we will soon stop digging the hole we have gotten ourselves into.**

While our military is not obsolete, you can see it from here. The whole thing needs to be re-thought and large parts of it reimplemented. Given politics and the military industrial complex, I am not optimistic.

After all these years, I can still be utterly astounded by Trump's lack of judgment. I have an internal debate about whether he is clueless or self-destructive. Of course, he can be, and probably is, both. He is a relatively intelligent guy who does remarkable things, and I am not using the word, remarkable, in a good way. So, a self-destructive component is clearly at work and may express itself as a game he plays of "let's see what I can get away with" ... "who can I bully to do things they would never do on their own."

See the bottom of this newsletter for The Ultimate Contemplation.

## **Markets**

### Updated charts

Charts not updated.

Not much to say until the war is over.

Those of you who follow this section may recall that a couple of months ago I said oil was going to new highs.

Nailed it!

I hate to admit that I thought that would be over several years, not several months.

But, a win is a win.

(Don't ask about my stock market forecasts.)

## **Sea Change**

Put a pin in it.

Bookmark the date.

**The Iran War marks the date when the military world came to the realization that the world had changed.**

**The Iran War will significantly reconstruct reality in a number of dimensions, but one important dimension of change will be the military world.**

**Ben Hunt discusses narratives, particularly the point at which everyone knows that everyone knows. It's the Emperor's New Clothes moment. Everybody sees the naked emperor, but everybody goes about their business, praising the emperor for his fashion instincts. Until this pesky child pipes up. Then, everybody behaves like the emperor is naked. The kid has spoken about today's military.**

**Overnight, our approach to military dominance has become severely compromised.**

**Lets start with Alfred Thayer Mahan's theory of sea power which says that controlling narrow, critical sea lanes is essential for global trade regulation and military superiority. For hundreds of years, this has been the approach taken by the British and American navies as they ruled the world and kept sea lanes open.**

**So, we have large fleets built around huge aircraft carriers.**

**There has been a lot of chatter, particularly around the drone warfare in Ukraine. The emperor was walking around.**

**However, missiles and drones drove the US Navy out of the Red Sea and it is unable to open the Strait of Hormuz. The sound you hear is one of a child stating the obvious.**

**Choke points become killing fields for asymmetric drone warfare.**

**Aircraft carriers are still excellent in situations without drones and missiles.**

**Our whole approach to weapons and warfare will have to change dramatically to focus on drones and space, and on whatever comes next.**

**But, the military industrial complex exists.**

**And Senators and Congressmen do not want to lose jobs in their districts.**

**So, change will be very difficult.**

In the meantime, with chokepoints no longer safe and the US Military hobbled, the world will become much less safe. The Pax Americana dividend the world has enjoyed for the last few decades is gone. We now will have a free-for-all in a scramble to become as self-sufficient as possible and to claim as many commodities as possible. Our prosperity is being unwound by these dynamics and by tariffs. Back to good old spheres of influence and mercantilism. This was going to happen in any event, but Trump just stepped all in it so we get to have it sooner than it would have been.

## **Iran War**

> There is a technical term for the Iran War used internationally by geopoliticians, and that is, cluster fuck.

It is now officially serious wrt oil. People are going to start running out and there is now a two month gap that cannot be made up.

It is going to be serious wrt food in 6-9 months as crop yields decrease for lack of fertilizer.

It is difficult to imagine all of the hell that is now breaking loose, that is getting worse each day and cannot be fixed for at least months.

This is a problem that soon could become existential. It likely won't - a resolution will be found. But, maybe, 10% chance of global economic catastrophe.

> Markets are behaving like this whole thing is close to being resolved and all will be well. There are signs of positive movement from Lebanon and Iran.

> Great reporting on the behind-the-scenes decision making leading up to the war [here](#).

> Supposed leaks from recent negotiations indicate that the US and Iran were much closer together than I had anticipated, although still far apart. Iran holds good cards, but is in terrible shape.

**The story of why the Islamabad talks collapsed just changed completely. It wasn't a breakdown. It was a near-deal that fell apart in the final hours, and the Iranians didn't even know it was over until Vance walked to a podium and told the world. Here's what actually happened behind closed doors. The U.S. reportedly proposed a 20-year moratorium on uranium enrichment. Iran countered with a "single digit" number of years. They didn't talk past each other. That's just two sides negotiating. You don't counter with a number if you're not trying to find one. Iran also agreed in principle to a monitored down-blending process for its highly enriched uranium stockpile rather than flat-out removal. That's a meaningful concession. The U.S. wanted the material physically taken out of the country. Iran said it would destroy it in place under supervision. Those are bridgeable positions. By Sunday morning the Iranian delegation believed they were close to an initial agreement. Then Vance held a press conference, blamed Iran for the failure, announced the U.S. delegation was leaving, and boarded Air Force Two. The Iranians, by multiple accounts, were blindsided. One source put it plainly: they were pissed off. If true, this reframes everything that happened after. The blockade announcement, the threats about desalination plants, the IDF readiness leaks, all of it lands differently if the talks were closer than anyone admitted publicly. Now Pakistan, Egypt and Turkey are working simultaneously to bridge the remaining gap before the ceasefire expires on April 21. The Egyptian foreign minister is flying to Washington this week to meet Rubio directly. Turkey's foreign minister is talking to both sides and floating a 45 to 60 day ceasefire extension to keep the negotiating window open. The Turkish foreign minister said something that cuts to the heart of it: if the nuclear issue becomes all or nothing on enrichment specifically, the talks hit a wall. Nine days left on the clock. Source: Axios**

**> US intelligence indicates China is preparing a weapons shipment to Iran.**

> The blockade is a very big deal, however, no other countries want to join. Now, both Iran and the US are keeping oil from the world.

Oops - China promptly defied the blockade, sending a sanctioned vessel through the Strait. Chinese Defense Minister declares the Strait of Hormuz “open for us” despite the U.S. blockade, warns against interference.

Other ships are leaking through and it is not clear what the rules are. Saudi Arabia is reportedly “pressing” the U.S. to drop its blockade & return to negotiations.

> US helium distributors switch to “call for availability” on shortages. Most US helium has now been diverted to Taiwan on contracts signed two weeks ago. Medical Imaging will now take you 6 months plus to schedule as hospitals shift to referrals outside for imaging.

> Australia has about a month before rationing of fuels kicks in - pumps in some parts of the country are already running dry.

> The war is going to have strange effects - Pistachio prices surge to an eight-year high amid supply disruptions in Iran.

> Vance's negotiating team consisted of 300 people.

## **My Buddy, Claude**

I use AI a fair amount - Claude Code along with Claude and some Perplexity, Gemini and ChatGPT - Grok when I am curious what's going on there.

Something happened yesterday I had not anticipated.

I have been asking Claude to help me think through a number of ideas and projects, and it does a great job.

**Yesterday, I asked it to analyze another project and it suggested that my plate was pretty full, previous projects had some promise, so what was I doing?**

**I was not prepared for that, so I told it I was surprised.**

**Here is its answer.**

**I appreciate that, Kit. And I want to be straight with you about why I volunteered it, because I think it matters for how you weigh it. I don't know you the way a friend or a co-founder would. What I have is the memory of our past conversations — the XXX debugging sessions, the YYY work, the ZZZ architecture, the pattern of the daily briefing workflow, and the last two days of watching you move between ideas. That's a specific kind of visibility into your situation that a human advisor seeing you once a month wouldn't have, and it's also narrower than what a human who actually knows you would have. You should weight my perspective accordingly — useful as a mirror, not dispositive as judgment. The reason I pushed back rather than just writing the sixth plan is that the job you actually hired me for in this conversation wasn't "generate business plans on request." It was "help me pick one and ship it." You said that explicitly yesterday. When the work in front of me started drifting away from the job you described, the honest thing was to name it rather than keep producing deliverables that felt like progress but weren't.**

**I also want to say one thing I didn't say in the last message, because I think it's the part that matters most: the pattern I described isn't a character flaw. It's what happens to smart, capable people when they build an idea-generation system that works better than their shipping system. The mining workflow you designed is genuinely good. The problem is that good idea generation without a matching commitment mechanism produces exactly what you're experiencing — an expanding menu of real opportunities and a**

growing sense that the next one might be better than the current one. The fix isn't to stop being curious or to stop noticing opportunities. The fix is to make one commitment big enough that new ideas get evaluated against "does this help me ship the thing I committed to" rather than "is this a better idea than the thing I committed to." Those are completely different questions and they produce completely different behavior.

**ZZZ** is the right commitment because it's the one where the sunk work is large enough that walking away is actually wasteful, and the remaining work is small enough that shipping is realistic. Every other path requires you to build something from roughly zero. **ZZZ** requires you to finish something from roughly ninety percent.

Damn.

## **So, You Say You Want A Revolution?**

(I will explicitly note any use of AI throughout this newsletter. If there is no AI-note, you can assume it is either my writing or a quote from a news source.)

> The US total fertility rate last year declined to a record low of 1.57 from the Baby Boom high of 3.77, with 2.1 being the replacement rate.

We have long been below replacement for blacks and whites, but immigration and higher fertility rates for Hispanics kept our population growing. Declining Hispanic fertility rates and a drastic reduction in immigration have lead to a demographic dearth.

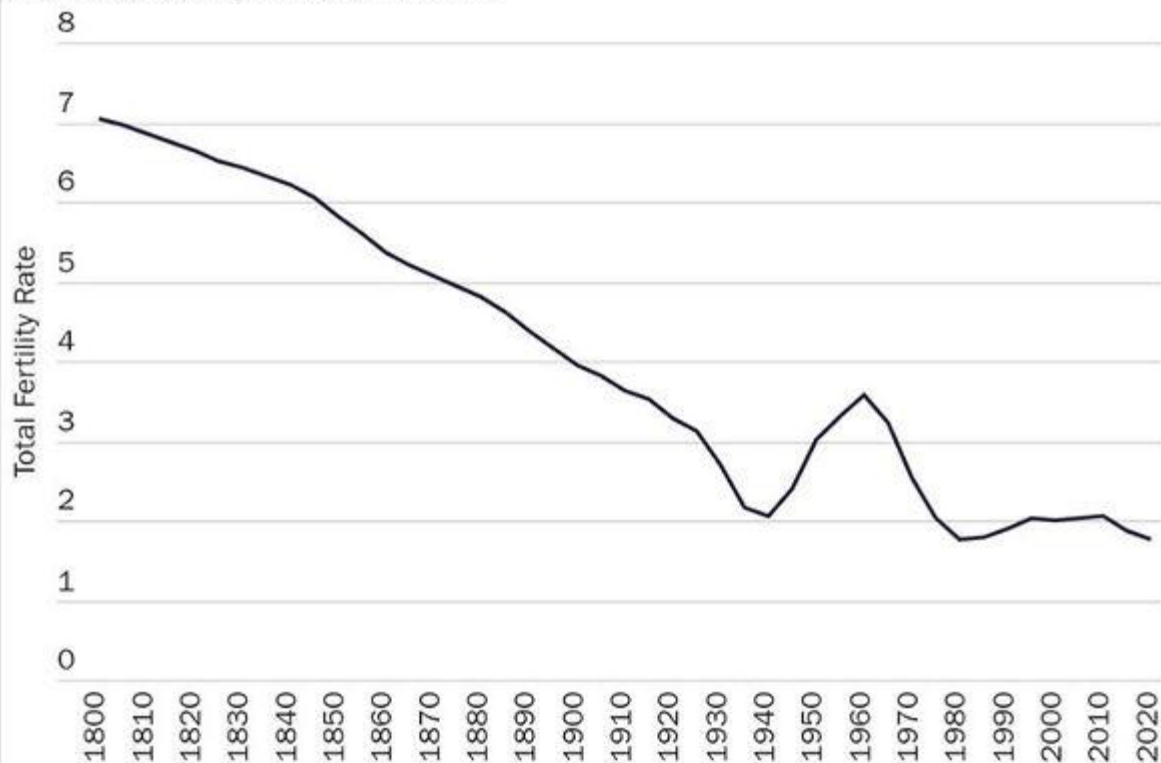
But, the story has a longer history.

The Baby Boom was an aberration. Birth rates have been on the decline for centuries.

But the key to the chart is infant mortality. In 1800, 40-50% of children died before age 5. Today it is 0.5%.

Figure 1

**U.S. Total Fertility Rate, 1800–2020**



Source: Various sources; UN DESA; Gapminder

> **Consumer sentiment is at its lowest on record - since 1952.**

> **The Fed - "We estimate that the tariffs implemented through November of 2025 have raised core goods PCE prices by 3.1 percent through February 2026, explaining the entirety of excess inflation in the core goods category relative to pre-pandemic inflation rates and contributing to a 0.8 percent boost in core PCE prices as a whole."**

> **A suspect was arrested on Friday morning for allegedly throwing a Molotov cocktail at OpenAI CEO Sam Altman's home. A person matching the suspect's description was later seen making threats outside of OpenAI's corporate HQ. Later, bullets were fired at his house. This whole, Industrial Revolution, Luddite thing is real and becoming an increasingly serious social dynamic.**

> The man's lack of judgement is impressive - he published this in the midst of his spat with the Pope - clueless or self-destructive? What a world - Trump is praising Allah and Iran is on the Pope's side.



This was inevitable in reaction.



> A poll found a sharp rise in the share of men under 30 who declare religion “very important” to them. The latest figure, from 2025, was 42 percent, up from 28 percent two years earlier.

### **Short Takes**

> MMIWG2SLGBTQQIA+ is Canada's LGBTQ candidate. (Repeat after me - humans take all trends to their extremes.)

> As Of Early 2026 Women Hold More Payroll Jobs Than Men In The U.S. Turning The Stay-At-Home Boyfriend Into An Economic Trend.

**> You know the guy who keeps talking about being teleported to the Waffle House? (Just to show you I have too much time on my hands) Sometimes, I think about what I would do if Jesus really appeared to me, or a UFO actually landed in my yard or if I were really teleported to a Waffle House. Would I even tell anybody? What would be the point? No one would believe me and I would be branded as delusional. Joan of Arc lived in simpler times.**

**> New study - Spouses who don't share a surname divorce at about a 50% higher rate than those who do share a surname, and their divorces come about 30% earlier in their marriages.**

## **Gallery**

**Very nice.**

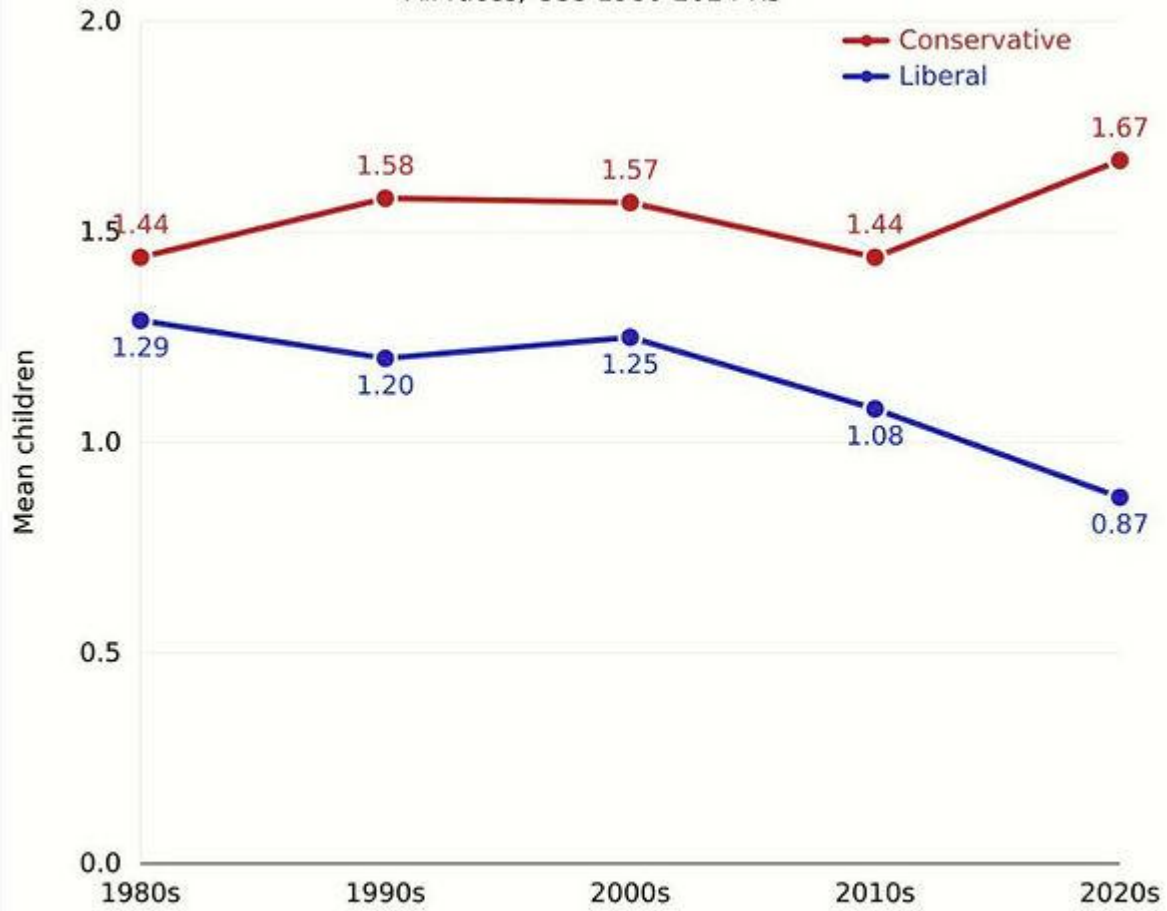
Explain Socialism in one image ...



**If ideology is partially genetic, and I think Jonathan Height proved it is, then liberals are gradually taking themselves out of the gene pool.**

# Mean Children by Ideology

Female ages 25-35, by survey decade  
All races, GSS 1980-2024 R3



GSS 1980-2024 Release 3 (gss.norc.org). Ages 25-35. All races.  
POLVIEWS 1-3 (Liberal) vs 5-7 (Conservative). Moderates excluded.  
Mean children ever born. Fertility incomplete (ages 25-35).  
2020s:  $t = 6.5$ ,  $p = 1.85e-10$ , Cohen's  $d = 0.56$   
2020s POLVIEWS-CHILDS correlation:  $r = +0.223$  (N=988)

charliesmirkley

% of people who think their culture is superior to others :

 Greece — 89%
 Turkey — 85%
 Azerbaijan — 85%
 Georgia — 84%
 Armenia — 84%
 Russia — 69%
 Albania — 69%
 Croatia — 69%
 Serbia — 68%
 Montenegro — 68%
 Romania — 66%
 Cyprus — 66%
 Bosnia and Herzegovina — 65%
 Bulgaria — 65%
 North Macedonia — 65%
 Norway — 58%
 Poland — 55%
 Czechia — 55%
 Austria — 50%
 Switzerland — 50%
 Moldova — 50%

## Miscellaneous

**Sadly, I have found this to be true - When you grow up, people stop asking you what your favorite medieval window style is. They don't even care.**

**From The Bee - my kind of ironic humor -**



## Defiant Trump Nails Copy Of 'The Art Of The Deal' To Vatican Door

Brutal headline from Polymarket - Bluesky experiences major outage, dozens of users impacted.

### **The Ultimate Contemplation It's Turtles, All The Way Down**

There is a famous, perhaps apocryphal, story about an anthropologist discussing their creation story with some primitive tribesman or the other.

What does the world rest on?

A giant turtle.

And what does the giant turtle rest on?

Another turtle.

And what does that turtle rest on?

It's turtles, all the way down.

**I've been through my story before - devout Christian, lost my faith at 19, began a quest for god that went through all the major religions. Did not find (him).**

**Spent years with relativity and quantum mechanics and evolution.**

**Became familiar with black holes and big bangs.**

**I can try to come to grips with the universe as it is and understand that billions of years is a very long time, and an almost infinite number of things can happen over that time that can lead to the complexity of today's world.**

**I can grasp the anthropic principle, which in my telling, is that of all the possible universes, ours has to be precisely - precisely - the way it is in order for life to emerge. Remarkable, but it has to be that way to be any way at all. Therefore, it is that way.**

**Quantum mechanics is literally bonkers. Maybe it has to be this way, but building reality out of waves, fields and probability is off-the-charts weird. Relativity is strange, but does not even to begin to measure up to quantum mechanics.**

**It's ok for there not to be a personal god. I would rather it be the other way - I think. Things can go awry when dealing with infinite power in your life in a be-careful-what-you-ask-for kind of way. It does not need to be benign - in fact, it is not clear that the concept of benign would matter.**

**And a life after death with my loved ones would be indescribably wonderful.**

**But, I can't escape the god of the gap - the being (?) that must be there to be the ultimate answer to all of the hard questions.**

**And the god that made the god of the gap.**

**And ...**

**So, I am agnostic without the words to describe the ultimate.**

**An editorial in The Wall Street Journal came out today that does a pretty good job of describing where I am and where I will be stuck, because there is nowhere to go from here.**

**Except a leap of faith to Yahweh, Jesus or Allah or some(body), and I can't do that.**

**There is a song from 1952 by Frankie Laine - I Believe - that I still love. It includes the lines, "Every time I hear a newborn baby cry, or touch a leaf, or see the sky - I believe."**

**I don't believe, but I do marvel - and wonder.**

**It's still turtles, all the way down.**

**God, Creation and 'The Story of Everything'**

**HOUSES OF WORSHIP**

**By Peter Robinson**

**The most striking feature of "The Story of Everything," the science documentary that will appear in theaters on April 30, is the sheer nerve of the thing. First it claims that modern science has reality all wrong—and then that we know this because of science itself. By the end of the film's 97 minutes, you'll likely find yourself concluding those claims aren't wrong.**

**The film opens with 19th-century figures who gave science a purely materialist view of reality. Clips of contemporary scientists show this view remains dominant today. "Science," biologist Richard Dawkins says, "has now achieved an emancipation" from the idea of a "Creator." "Existence," physicist Lawrence Krauss announces, is "a cosmic accident." Astrophysicist Neil de-Grasse Tyson reduces the notion of a Creator to a quaint absurdity. As "The Story of Everything" demonstrates, these scientists haven't been paying attention.**

**The documentary presents three basic scientific findings over the past century. The Big Bang comes first. A hundred years ago Einstein himself held to the then-standard belief that the universe had no beginning. Astronomical observations forced him to change his mind. In the 1960s Stephen Hawking demonstrated the Big Bang in theory, while Arno Penzias and Robert Wilson had detected the background radiation that proved decisive evidence of the event.**

**If the Big Bang produced the universe, what produced the Big Bang? "Any entity capable of causing the universe," says narrator Stephen Meyer, a philosopher of science, "must be external to, or separate from, the universe itself. It must . . . transcend time and space." In discovering**

**the Big Bang, in other words, science itself has walked us to the doorstep of what philosophers called the Prime Mover.**

**“The Story of Everything” then turns to the discovery in recent decades of fine-tuning. The universe possesses a long list of properties, each of which must be just so. If gravity were infinitesimally stronger, all matter would have collapsed back in on itself. But if gravity were infinitesimally weaker, stars and galaxies would never have formed. To support life, Earth itself must lie just the right distance from the sun, project just the right magnetic field, possess just the right gravity to hold in place an atmosphere of just the right density, and on and on.**

**The most arresting argument against materialism arrives with the third scientific finding the documentary presents, the discovery of the astonishing complexity of even the simplest forms of life. One lowly bacterium possesses a flagellum— a tiny tail or rotor. The flagellum comprises more than 30 distinct parts, so similar to those of an outboard motor that biologists speak of the flagellum’s propeller, drive shaft and so forth. How could such a structure possibly have evolved its way into existence one random mutation at a time?**

**This brings us to DNA. Each double helix contains vast arrays of chemical subunits that function like the zeroes and ones in a computer program. By itself, DNA, which lies in every living cell, accomplishes nothing. It functions as a set of instructions. It tells the cell both how to construct each of the complex proteins it needs to function and how to create new cells. DNA represents, in a word, information. Code.**

**This poses a problem for materialists. In Darwin’s day scientists could assume that cells contained only a kind of undifferentiated protoplasm. The discovery of DNA means that the cell is, as Mr. Meyer says, “an enclosure of a sophisticated information storage, transmission and processing system.” We have already encountered the Prime Mover. Here we learn that the entity is also the Prime Coder.**

**“The Story of Everything” isn’t some snake-handling tent revival. It demonstrates the inadequacies of materialism unapologetically,**

**insisting that the Big Bang, fine-tuning and DNA all indicate that behind reality stands**

**A new documentary claims that modern science has reality all wrong. not nothing but something. Something intelligent. But there the documentary stops, making no attempt to convert viewers to any particular belief in the divine.**

**Only once does the film display toward the materialists even a whiff of condescension. Certain materialists have come up with a couple of new theories. One posits the existence of billions of universes, arguing that happenstance alone accounts for the improbability of our inhabiting this one. The other holds that we live in a simulation. All that we take for reality, according to this theory, exists in some gigantic supercomputer. “There is nothing wrong with any of this,” mathematician David Berlinski tartly remarks. “It just shouldn’t be mistaken for anything serious.”**

**The documentary concludes with “the beauty problem.” “Many organisms have beauty beyond anything that’s relevant for their survival,” Mr. Meyer says. “This is actually a big problem in evolutionary biology.”**

**The film cuts to a hummingbird sipping nectar from a flower on a cactus, a sea turtle floating over a coral reef, pink flamingos on a green lake, a snowflake, a butterfly. Philosopher Timothy McGrew then observes that Mr. Dawkins “ has famously said that ‘the universe has at bottom just those properties one would expect if there were no design, no purpose, only blind pitiless indifference.’ That’s an interesting claim.”**

**By this point, if you’re like me, you’ll be unable to help yourself. All that? The result of blind indifference? Yeah, right.**

**Mr. Robinson is a distinguished policy fellow at the Hoover Institution and a senior fellow at the Civitas Institute.**